

RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY
FROM TIME TO TIME OF PRELIMINARY LOAN NOTES, THE EXECUTION
OF REQUISITION AGREEMENTS, AND THE EXECUTION OF PROJECT
TEMPORARY LOAN NOTES FOR DELIVERY PURSUANT TO REQUISITION
AGREEMENTS, IN CONNECTION WITH URBAN RENEWAL PROJECT NO.
MASS. R-54

WHEREAS the Boston Redevelopment Authority
(herein called the "Local Public Agency"), has entered into a contract dated as of
the 29th day of July, 1964, numbered Contract No. Mass. R-54 (IG)
(which, together with any supplements thereto or amendments, modifications, or
waivers of any provisions thereof, is herein called the "Loan and Grant Contract"),
with the United States of America (herein called the "Government"), which Loan and
Grant Contract provides, in part, for a Project Temporary Loan by the Government to
the Local Public Agency under Title I of the Housing Act of 1949, as amended
(42 U.S.C. 1450 et seq.), in an amount outstanding at any one time not to exceed
\$ 756,122, to aid the Local Public Agency in its undertaking and carrying
out of a certain urban renewal or redevelopment project (herein called the
"Project") designated Project No. Mass. R-54 and which is more fully identified
in the Loan and Grant Contract; and

WHEREAS the Loan and Grant Contract provides in connection with the financing
of the Project that if the Local Public Agency can obtain loan funds from sources
other than the Government at interest rates lower than the pertinent Project
Temporary Loan Interest Rate or Rates it may do so with the prior written consent
of the Government and, in any such case, if the Local Public Agency shall have
complied with all conditions precedent to its obtaining a payment by the
Government under the Loan and Grant Contract in a specified amount on account of
the Project Temporary Loan, the Local Public Agency, with the prior written consent
of the Government, may pledge its right under the Loan and Grant Contract to a
sufficient amount of such particular payment as security for the repayment by the
Local Public Agency of the principal of and interest on its obligations evidencing
loan funds so obtained from sources other than the Government; and

WHEREAS it appears that obligations of the Local Public Agency, known and
referred to in the Loan and Grant Contract as "Preliminary Loan Notes", issued for
the purposes as hereinafter authorized, and of the details, description, and
security as herein provided, are generally marketable at interest rates lower than
the interest rate or rates which the Government is required to charge the Local
Public Agency under the terms of the Loan and Grant Contract, and the Government
is desirous of cooperating with the Local Public Agency in its endeavor to sell
such obligations in order to reduce carrying charges and other costs of the
Project and in order to encourage participation of private capital in the financing
of the Project.

NOW, THEREFORE, BE IT RESOLVED by members,
of the Boston Redevelopment Authority,
as follows:

SECTION 1. AMOUNT AND PURPOSES. The Local Public Agency hereby determines to borrow and there is hereby authorized to be borrowed a sum not to exceed the principal amount outstanding at any one time of Seven Hundred Fifty-Six Thousand, One Hundred Twenty-Two Dollars (\$ 756,122.), whether evidenced by outstanding Project Temporary Loan Obligations (hereinafter called "Project Temporary Loan Notes"), Preliminary Loan Notes, or Project Definitive Loan Obligations, as those terms are used in the Loan and Grant Contract: Provided, That, for the purposes of this Resolution, said maximum principal amount shall be increased or decreased to a sum determined with certainty under the provisions of Section 12 hereof. To the extent feasible, and without limiting the powers of the Local Public Agency to borrow funds directly from the Government under the terms of the Loan and Grant Contract, such borrowings, exclusive of borrowings evidenced by Project Definitive Loan Obligations, shall be evidenced by obligations of the Local Public Agency issued, sold, and delivered pursuant to the authority of this Resolution, and the funds so borrowed shall be borrowed for and used to defray expenses and costs incurred or to be incurred in the Local Public Agency's undertaking and carrying out of the Project, or to retire, refund, renew, or extend its outstanding Project Temporary Loan Notes, if any, and outstanding Preliminary Loan Notes, if any, as hereinafter more fully provided.

SECTION 2. AUTHORIZATION AND DETAILS OF NOTES. There shall be and hereby are authorized to be issued, sold, and delivered from time to time, as funds are needed for any one or more of the aforesaid purposes, the negotiable, short-term special obligations (hereinafter called the "Notes") of the Local Public Agency payable to the bearer, each of which shall be designated "Preliminary Loan Note", and each separate issue of the Notes shall be further identified by a series designation from "First Series" upward in order of issuance and in relation to the Project and previous issues of Preliminary Loan Notes, if any, followed by the letter designation "E". The Notes shall be issued in substantially the form of Preliminary Loan Note attached hereto and marked "Exhibit A", with the blank spaces therein completed as required by this Resolution and the facts surrounding each specific series of Notes, and the terms and conditions of said form of Preliminary Loan Note are hereby adopted as though the same were set forth in full in the text of this Resolution. Each of the Notes shall have endorsed thereon a payment agreement on behalf of the United States in substantially the form of the Payment Agreement appearing on the reverse of said "Exhibit A".

SECTION 3. DETAILS OF SERIES OF NOTES. The Chairman, Vice Chairman or the Treasurer of the Local Public Agency (herein respectively called the "Authorized Officer") is hereby authorized and directed to determine from time to time, and on the basis of estimates, the amount of Project Temporary Loan funds required to provide for the orderly financing of the Project, including funds to retire, refund, or extend in whole or in part, outstanding Project Temporary Loan Notes and outstanding Preliminary Loan Notes of the Local Public Agency, if any; and to requisition such funds, together with estimated interest thereon, from the Government under the Loan and Grant Contract: Provided, That, for the convenience of financing, said estimate shall be rounded upward to the next multiple of \$1,000. Each such estimate shall cover a time period certain, which shall be not less than approximately 90 days and not more than approximately 380 days, in relation to a financing schedule otherwise mutually satisfactory to the Authorized Officer and the Government. Each series of the Notes shall bear the date of the commencement of said time period and shall mature on a date certain upon the expiration of

such period under said financing schedule. The aggregate principal amount of the respective series of Notes shall equal the said estimate of loan funds required by the Local Public Agency, exclusive of said estimated interest, for the period from and including the date of such Notes to their maturity: Provided, That, for convenience of financing, in determining the principal amount of the respective series of Notes said estimate shall be rounded upward to the next multiple of \$1,000. The Notes of the respective series of Notes shall be numbered from 1 upward in orderly sequence.

SECTION 4. ADVERTISING OF NOTES. Upon receipt of the advice of or on behalf of the Department of Housing and Urban Development, indicating that the Government anticipates approving a payment to the Local Public Agency of funds on account of the Project Temporary Loan under the requisition described in Section 3 hereof and a Requisition Agreement hereinafter described, the Authorized Officer shall advertise a series of Notes, in the principal amount determined under said Section 3, for sale in accordance with the policies, terms, and conditions of sale specified in the form of Notice of Sale of Preliminary Loan Notes attached hereto as "Exhibit B", with the blank spaces therein completed as required by this Resolution and the facts surrounding each series of Notes: Provided, That the date specified for the receipt of sealed proposals shall be mutually satisfactory to the Authorized Officer and the Government, but in no event earlier than the seventh day following the publication of the Notice of Sale nor later than the sixteenth day following such publication; Provided further, That the hour fixed for the public opening of bids shall be one o'clock P.M., lawful time in the City of New York, New York. Said Notice of Sale shall be published once in The Daily Bond Buyer, a financial newspaper of national circulation published in the City and State of New York, and, also, ~~once in the~~ _____, ~~a newspaper of general circulation in the City of~~ _____.

The Authorized Officer is hereby empowered to join with other local public bodies in offering Preliminary Loan Notes for sale under a consolidated Notice of Sale to be published in The Daily Bond Buyer pursuant to which the Local Public Agency and other local public bodies jointly advertise their respective series of Preliminary Loan Notes for sale pursuant to the policies, terms, and conditions substantially as provided by Exhibit B hereto. Said Notice of Sale shall be published on a date mutually satisfactory to the Authorized Officer and the Government, and under a predetermined financing schedule designed to provide to the Local Public Agency funds to assure the orderly financing or refinancing of the Project for the financing period determined pursuant to Section 3 hereof. The form of Proposal (Form HUD-3088 (12-65)) attached hereto and marked "Exhibit C", including the policies, terms, and conditions thereof, is hereby adopted as the form of proposal which shall be required of bidders pursuant to the Notice of Sale: Provided, That the Authorized Officer may consent to a request made by a successful bidder prior to the delivery of Notes to designate a paying agent, if qualified under the terms of the Notice of Sale, other than the paying agent named in the proposal, and, also, may consent to changes in the denominations of Notes as specified in the proposal.

SECTION 5. AWARD OF NOTES. The Authorized Officer is hereby appointed as the awarding official on behalf of the Local Public Agency, and is hereby authorized and directed on each date specified in a Notice of Sale of a series of Notes, and at the time and place specified in such Notice of Sale, to receive, open, and review all proposals received for the purchase of the series of Notes.

Proposals, including telegraphic proposals or instructions as to the completion of proposals, received after one o'clock P.M., the hour (New York time) specified in the Notice of Sale, shall not be opened but rather shall be returned by the Authorized Officer to the proposed bidder who shall be advised of the date and hour when his proposal or telegram was received. Any proposals which are incomplete in any substantial respect shall be forthwith rejected by the Authorized Officer. Upon completion of the review, the contents of all proposals shall be communicated by telephone to counsel on behalf of the said Department of Housing and Urban Development with advice and recommendation for award or awards based on the conditions of award specified in the Notice of Sale, and proposals received pursuant to such Notice of Sale, and request concurrence in the proposed award or awards: Provided, That such award or awards shall be made at the lowest rate or rates specified in the proposals, but in no event at a rate which equals or exceeds the rate; or the lowest of any two or more interest rates, to be borne by the Project Temporary Loan Note or Notes authorized for delivery to the Government for purchase under the terms of a Requisition Agreement as herein provided. Upon receipt of the advice of or on behalf of the said Department of Housing and Urban Development, which advice may be formal or informal, to the effect that the Government has no objections to the proposed award or awards of the Notes, the Authorized Officer shall promptly notify each successful bidder by telegram of the award of all or a portion of the series of Notes to such bidder. Each such notice of award shall be unqualified and shall be confirmed by letter from the Authorized Officer to each successful bidder.

SECTION 6. PREPARATION AND EXECUTION OF NOTES. Promptly following the award of a series of Notes, the Authorized Officer shall have the same prepared, in accordance with recognized municipal financing practices, for execution and delivery to the purchaser or purchasers. The Notes shall be signed in the name of the Local Public Agency by and through the manual or the duly authorized facsimile signature of the Chairman, Vice-Chairman or the Treasurer and shall have the corporate seal of the Local Public Agency impressed thereon and attested by the Secretary or the Assistant Secretary of the Local Public Agency; and said officers are hereby authorized and directed to cause said Notes to be properly executed.

SECTION 7. SECURITY AND EXECUTION OF REQUISITION AGREEMENTS. Each series of Notes shall be payable as to both principal and interest solely from funds provided by the United States of America pursuant to a requisition agreement: Provided, That the Local Public Agency hereby consents to the Payment Agreement of the United States of America to be endorsed on each Note. Each such requisition agreement shall be in substantially the form of either Form HUD-3079a (3-66) or Form HUD-3079b (3-66), as required by the facts, a copy of each of which forms of "Requisition Agreement" has been examined by the General Counsel, on behalf of the Local Public Agency, and are hereby ordered to be filed as a part of the official records of the Local Public Agency. The Chairman, Vice-Chairman or Treasurer shall endorse on each copy of said forms of "Requisition Agreement" a statement identifying such forms as the forms of requisition agreement approved by this Resolution, and shall furnish the said Department of Housing and Urban Development and bond counsel engaged by the purchaser to render the approving opinion respecting the series of Notes, defined in a specific Requisition Agreement as the "New Preliminary Loan Notes", each a certified copy of said forms of "Requisition Agreement" as hereby approved. The officer or officers executing the

said New Preliminary Loan Notes are hereby authorized and directed to execute the specific Requisition Agreement designed to secure their payment. Without limiting the general terms and conditions of such Requisition Agreement, when executed by the Government the same is hereby declared to be and is hereby assigned by the Local Public Agency for the benefit of the holder or holders from time to time of the New Preliminary Loan Notes described therein, and the proceeds of the Project Temporary Loan Note or Notes executed pursuant to Section 8 hereof and deposited with the Government for purchase pursuant to such Requisition Agreement are hereby irrevocably pledged first, to the payment at maturity of the principal and interest on said New Preliminary Loan Notes.

SECTION 8. EXECUTION AND DELIVERY OF PROJECT TEMPORARY LOAN NOTES. The Chairman, Vice Chairman or the Treasurer of the Local Public Agency are hereby authorized and directed to execute the Project Temporary Loan Note(s), as described and defined in the Requisition Agreement as the "Escrow Project Temporary Loan Note" (the issuance of which has heretofore been authorized by a Resolution Authorizing the Issuance of Certain Project Temporary Loan Notes in Connection With Project No. Mass. R-54, and Providing for the Security for the Payment Thereof, and for Other Purposes, duly adopted by the Local Public Agency on the 2nd day of July, 1964, as amended). Each such Escrow Project Temporary Loan Note shall have the corporate seal of the Local Public Agency impressed thereon and attested by the Secretary or the Assistant Secretary. The Escrow Project Temporary Loan Note or the aggregate principal amount of any two or more notes constituting the Escrow Project Temporary Loan Note under the Requisition Agreement shall equal the principal amount of the New Preliminary Loan Notes described in the Requisition Agreement plus estimated interest thereon determined on the basis of the requisition and in accordance with Section 3 hereof, and, also, shall equal the amount of the Requisitioned Payment described in the Requisition Agreement. Project Temporary Loan Notes, whether purchased by the Government through direct purchase under the Loan and Grant Contract, or through operations under a Requisition Agreement, or deposited with the Government for purchase pursuant to a Requisition Agreement, shall be numbered from 1 upward in orderly sequence; and each such Project Temporary Loan Note (a) shall bear interest from date of delivery thereof and the payment therefor by the Government at a rate or rates determined in accordance with the Loan and Grant Contract; (b) shall bear a statement at the foot thereof in substantially the following form:

"Delivery of this note was accepted and payment therefor made on the _____ day of _____ 19____.

UNITED STATES OF AMERICA
Secretary of Housing and Urban Development

By _____

(Title)

and (c) shall not be valid until said statement is duly executed on behalf of the

Government. The Escrow Project Temporary Loan Note, as described in a specific Requisition Agreement, shall be delivered by the Authorized Officer to the Government to be held and paid for by the Government in accordance with the terms and conditions contained in such Requisition Agreement.

SECTION 9. DISPOSITION OF PROCEEDS. The proceeds of each issue of Preliminary Loan Notes issued pursuant to the authority of this Resolution shall be applied for the authorized purposes of this Resolution and as may be required by provisions of the Requisition Agreement securing the respective issues of such Notes.

SECTION 10. DELIVERY OF NOTES. Each Note of each issue of Notes authorized pursuant to this Resolution shall be payable on the maturity date thereof at the incorporated Bank having trust powers or the incorporated Trust Company, as the purchaser thereof shall designate in the proposal. Such Bank or Trust Company is hereby designated as the Paying Agent for each such Note, and the Notes shall be delivered to the purchaser in accordance with the provisions of a Letter of Instructions (Urban Renewal Program), being Form HUD-3084 (3-66), a copy of which has been examined on behalf of the Local Public Agency and is hereby approved. A copy of said Form HUD-3084 (3-66) is hereby ordered to be filed as a part of the official records of the Local Public Agency. The Chairman, V. Chairman, or Treasurer shall endorse on such copy a statement identifying the same as the form of Letter of Instructions approved by this Resolution, and shall furnish the said Department of Housing and Urban Development and said bond counsel, each a certified copy of said Form HUD-3084 (3-66) as hereby approved. Following the execution of an issue of Notes, the Authorized Officer shall prepare and execute said Letter of Instructions and forward each such Letter of Instructions, together with the Notes and Signature Certificate and Receipt described therein, to the said Department of Housing and Urban Development with the request that the same be approved and forwarded to the designated Paying Agent.

SECTION 11. TRANSCRIPTS AND PROCEEDINGS. The officers of the Local Public Agency, including the Authorized Officer and attorneys for the Local Public Agency are hereby authorized to furnish to the Government, bond counsel engaged to render the approving opinion on the respective issues of Preliminary Loan Notes authorize to be issued hereunder, and to the purchasers of Preliminary Loan Notes such informative data, certificates and transcripts of proceedings as they may reasonably request pertaining to the Local Public Agency, the Project, and the financing of the Project.

SECTION 12. CHANGES IN AUTHORIZED AMOUNT. In the event the Local Public Agency and the Government shall enter into one or more amendments to the Loan and Grant Contract on a date or dates subsequent to the adoption of this Resolution whereby the maximum amount of the Project Temporary Loan outstanding at any one time, referred to in the first preamble and in Section 1 of this Resolution, is either increased or decreased, the maximum amount of the Project Temporary Loan stated in terms of dollars in said preamble and in Section 1 shall automatically be increased or decreased to the maximum limitation specified in terms of stated dollars in the latest of any such amendment: Provided, That no such increase or decrease shall operate to modify in any manner the terms of payment on account of the Project Temporary Loan under any outstanding Requisition Agreement.

SECTION 13. EFFECTIVE DATE. This Resolution shall take effect immediately

B

NOTICE OF SALE
OF
\$ _____ PRELIMINARY LOAN NOTES
OF

HUD-3087
(12-65)

_____, 19__

SEALED PROPOSALS will be received by the above-identified local public body corporate (hereinafter called the "Local Public Agency") at _____ in the City of _____, until, and publicly opened at, one o'clock P.M., Eastern _____ Time, on _____, 19__, for the purchase of \$ _____ of notes of the Local Public Agency to be known as "Preliminary Loan Notes (_____ Series _____)," being issued to aid in financing its Urban Renewal Project, designated Project No. _____. The United States of America has agreed to make a loan under Title I of the Housing Act of 1949, as amended (42 U.S.C. 1450 et seq.), to the Local Public Agency to assist the latter in undertaking and carrying out such Project. By authority of said Act and with the agreement of the Local Public Agency, the said Notes are to be unconditionally secured as to the payment of both principal and interest by the United States of America. The full faith and credit of the United States will be pledged to such payment under an unqualified payment agreement endorsed on each of the Notes. Under said Act, such agreement is required to be construed by all officers of the United States separate and apart from said loan agreement and is incontestable in the hands of a bearer thereof.

THE NOTES will be dated _____, 19__, will be payable to bearer on _____, 19__, will bear interest from their date to their maturity at the rate or rates per annum fixed in the proposal or proposals accepted for the purchase of such Notes, will be issued in such denominations, and both principal and interest thereof will be payable at such incorporated Bank having trust powers or incorporated Trust Company, as the purchaser designates in the proposal. Such Bank or Trust Company must be a member of the Federal Reserve System, or of the Federal Deposit Insurance Corporation, and must have an unimpaired capital and surplus of not less than the aggregate principal amount of Notes designated in the proposal or proposals submitted by the purchaser; provided, however, that such unimpaired capital and surplus need not exceed One Million Dollars. The Notes will provide that they are not valid until after such Bank or Trust Company has signed the agreement, appearing on each Note, to act as paying agent. The Notes will be transmitted to such Bank or Trust Company for delivery to the purchaser upon receipt and disbursement by such Bank or Trust Company of the purchase price thereof in accordance with instructions from the Local Public Agency. After taking delivery of the Notes, the purchaser shall obtain the signature of such Bank or Trust Company upon the Notes as aforesaid. All fees or charges, if any, of such Bank or Trust Company shall be paid by such purchaser.

SAID NOTES will be special obligations of the Local Public Agency and will be secured by a requisition agreement between the Local Public Agency and the United States of America under the terms of which agreement the United States of America agrees to lend the Local Public Agency prior to the maturity of said Notes an amount sufficient to pay the principal and interest of all said Notes and agrees to cause so much of the proceeds of such loan as shall be sufficient to pay the principal of and interest upon any of said Notes to be deposited at the respective Bank or Trust Company at which said Notes are payable for the benefit of the holder or holders thereof. Under the proceedings authorizing said Notes, the proceeds of such loan payment will be irrevocably pledged first to the payment, at maturity, of the principal of and interest on said Notes.

THE VALIDITY of the Notes and said requisition agreement shall be subject to approval by attorneys designated by the purchaser in the Proposal. Complete certified transcripts of proceedings, including organization transcript as required, evidencing the validity of the Notes and of said requisition agreement will be furnished such attorneys at least 5 days prior to the date of the Notes. The fees or charges of the attorneys shall be paid by the purchaser.

ALL PROPOSALS for the purchase of any of said Notes shall be submitted in a form approved by the Local Public Agency and shall be enclosed in a sealed envelope, addressed to the Local Public Agency, which should be marked on the outside "Proposal for Preliminary Loan Notes." Copies of such form of proposal may be obtained from the Local Public Agency at the address indicated above. Proposals may be submitted subject to completion pursuant to telegraphic instructions or proposals may be submitted in their entirety by telegram. Telegraphic instructions or proposals must be received by the Local Public Agency at or before the time above specified for the opening of proposals. A telegraphic proposal should identify and be made pursuant to the Notice of Sale, identify the Notes, and specify the principal amount, interest rate, premium, denominations, name of said attorneys, and place of payment of the Notes covered by the proposal. In view of certain statutory and policy limitations, no award of the Notes will be made at an interest rate per annum which is not less than _____ per centum (_____ %).

PROPOSALS may be for all or any part of the Notes, and separate proposals will be required for each part of said Notes for which a separate interest rate is bid. The interest rate specified for each part of said Notes shall be a multiple of one-hundredth (1/100) of one percent (1%). Said Notes will be awarded at the lowest interest rate or rates offered in the proposals, without reference to premium; provided, however, that, as among proposals specifying the same lowest interest rate, award will be made on the basis of the highest premium per dollar principal amount of Notes specified in such proposals. No bid for less than \$50,000 principal amount of said Notes or for less than par and accrued interest (which interest shall be computed on a 360-day basis) will be entertained, and the Local Public Agency reserves the right to award to any bidder all or any part of the Notes which such bidder offers to purchase in his proposal, upon the basis of such proposal; provided, that if less than \$50,000 principal amount of Notes is to be awarded to any bidder, such bidder will be relieved of the obligation to purchase such Notes upon written notice to the Local Public Agency within two days after notification of such proposed award. If only a part of the Notes bid for in a proposal are awarded by the Local Public Agency, the premium, if any, offered in such proposal shall be prorated, and said Notes will be issued in denominations in the order of the lowest denominations specified in such proposal; provided that one Note may be issued in a smaller denomination than is otherwise specified. The further right is reserved to reject any or all proposals.

SECTION 102(g) of the Housing Act of 1949, as amended (42 U.S.C. 1452), provides as follows: "Obligations, including interest thereon, issued by local public agencies for projects assisted pursuant to this title, and income derived by such agencies from such projects, shall be exempt from all taxation now or hereafter imposed by the United States." In the event that prior to the delivery of any of the Notes to the successful bidder therefor the income received by private holders from obligations of the same type and character shall be taxable by the terms of any Federal income tax law hereafter enacted, the successful bidder may, at his election, be relieved of his obligations under the contract to purchase said Notes.

By _____

FORM OF PROPOSAL
(Preliminary Loan Notes)

_____, 19____

Boston Redevelopment Authority

Room 350 - 73 Tremont Street

Boston, Massachusetts 02108

Gentlemen:

For your Preliminary Loan Notes (_____ Series _____) in the principal amount of \$_____, and being /all/ /a part of/ the Notes of said series described in the Notice of Sale published in The Daily Bond Buyer on _____, 19____, which notice of Sale is incorporated herein by reference and is hereby made a part of this proposal, we will pay you par and accrued interest to date of delivery plus a premium of \$_____. Said Notes shall bear interest at the rate of _____

per centum per annum payable at the maturity thereof and both the principal of and interest thereon shall be payable at _____

_____ (herein called the "Bank") in the City of _____ and State of _____, and the same shall be issued in denominations as follows: _____

It is understood and agreed by the undersigned that you may award all or any part of the Notes bid for in this proposal upon the basis of the above bid, and if only part of the Notes bid for in this proposal are awarded by you the premium specified above shall be prorated and the Notes so awarded shall be issued in denominations in the order of the lowest denominations specified above, except that one of such Notes may be issued in a smaller denomination than otherwise specified.

The undersigned hereby agrees to accept delivery of and make payment for said Notes at the Bank on the date thereof or as soon thereafter as the same may be prepared and ready for delivery by you.

This proposal is subject to our being furnished, at our own expense, with an opinion of _____

_____ approving the validity of said Notes and the validity of the requisition agreement described in the aforesaid Notice of Sale.

By _____

PRELIMINARY LOAN NOTE

(SERIES,)

Project No. \$

No.

(herein called the "Local Public Agency"), a body politic and corporate, for value received, hereby promises to pay to the bearer, but solely from the funds provided by the United States of America pursuant to the Requisition Agreement hereinafter described, the principal sum of this Note, with interest thereon from the date of issue to the maturity date, at the interest rate per annum, and at the office of the Paying Agent, all as specified herein. Both the principal of and interest on this Note are payable in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts.

The date of issue, maturity date, principal sum, authorized issue, interest rate per annum, the paying agent of and with respect to this Note, and the description of said Requisition Agreement and citations of authority for and pertaining to this Note are as follows:

Date of Issue:

Maturity Date:

Principal Amount:

Interest Rate Per Annum:

Paying Agent:

Requisition Agreement No. dated

Authorized Issue: \$

State and Statute:

Resolution[s] Adopted:

This Note is issued pursuant to the constitution or organic law of said State and said Statute, as amended and supplemented, to aid in financing an urban renewal or redevelopment project of the character authorized thereunder and described in said Resolution[s]. Said project is being assisted pursuant to Title I of the Housing Act of 1949, as amended (42 U.S.C. 1441 and 1450 et seq.), under a loan contract between the Local Public Agency and the United States of America.

Pursuant to said loan contract, and in furtherance of the financing of the project, the Local Public Agency and the United States have entered into the above-identified Requisition Agreement under which the latter has agreed, without limiting in any manner the unqualified Payment Agreement of the United States endorsed on the reverse of this Note, to make a specific loan payment to the Local Public Agency on or prior to said Maturity Date in an amount sufficient to pay the principal of and interest to maturity on this Note and said Authorized Issue of which this Note is one, and to cause to be deposited with the Paying Agent, for the benefit of the holder of this Note, an amount sufficient to pay such principal and interest to maturity. Under the terms of said Resolution[s] the proceeds of said loan are irrevocably pledged first to such payments; and under the terms of said Requisition Agreement, the full faith and credit of the United States of America is pledged to the payment of the principal of and interest on this Note as evidenced by said Payment Agreement.

This Note shall not constitute a debt or indebtedness of the State or of any town, city, county, municipality, or political entity or subdivision therein or thereof, within the meaning of any constitutional, statutory, local law, or charter provision, and neither the State nor any such town, city, county, municipality, or political entity or subdivision, other than the Local Public Agency, shall be liable hereon, and, in no event, shall either this Note or the interest thereon be payable from or out of any funds or properties other than those of the Local Public Agency or those of the United States.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all conditions, acts, and things required to exist, happen, and be performed precedent to and in the issuance of this Note do exist, have happened, and have been performed in due time, form, and manner as required by law: Provided, That this Note shall not be valid until the Paying Agent shall have executed the agreement, appearing below, to act as such Paying Agent.

IN WITNESS WHEREOF, the Local Public Agency has caused this Note to be signed in its name and its seal to be impressed hereon and attested, by its proper officers thereunto duly authorized, and this Note to be dated as of the Date of Issue above specified.

By _____

ATTEST:

AGREEMENT OF PAYING AGENT

We hereby agree to act as Paying Agent of this Note as above indicated.

By _____

PAYMENT AGREEMENT

Pursuant to section 102(c) of the Housing Act of 1949, as amended (42 U.S.C. 1452(c)), the United States hereby unconditionally agrees that on the Maturity Date of the within Preliminary Loan Note it will pay or cause to be paid to the bearer thereof the principal of and interest thereon, upon the presentation and surrender of such Note to the Paying Agent designated therein, and the full faith and credit of the United States is pledged to such payment. Under section 102(c) of the Act, this Agreement shall be construed separate and apart from the loan contract referred to in the within Note and shall be incontestable in the hands of a bearer.

IN WITNESS WHEREOF, this Agreement has been executed on behalf of the United States by the duly authorized facsimile signature of the Secretary of Housing and Urban Development, as of the Date of Issue of the within Note.

UNITED STATES OF AMERICA

By

Secretary of Housing and Urban Development

Instructions to the Printer:

1. NOTICE: If the printer has been furnished a signature card for such purpose, the facsimile signature of the Secretary of Housing and Urban Development should be printed in the space provided for such purpose in the signature format of the above Payment Agreement. In the absence of such a signature card, the printer should leave the space blank, making certain that the space in the signature format is not less than as shown by said form of Payment Agreement.
2. The underscored words appearing in two places in the form of Payment Agreement appearing above should be printed in italics.
3. The proposed notes should be prepared on good but not necessarily the best paper of the type generally available from stock to printers and stationery houses who prepare or furnish forms for the preparation of certificates of stock, or bonds, notes, warrants, etc., and as specified by or upon behalf of the Local Public Agency.
4. Only _____ proposed notes should be prepared for execution, and they should be numbered consecutively from 1 upward.
5. The interest rate specified in the second paragraph of the text of the notes should be expressed in both words and figures; for example, One and Fifty-Two One-Hundredths Per Centum (1.52%).
6. The denomination of the respective notes should be expressed in figures in the heading and in words following the term "Principal Amount" in the second paragraph.
7. The denominations, names of the Paying Agent(s), and the interest rate(s) pertaining to the respective notes, all in relation to the note numbers, are as follows:

<u>Numbers (Inclusive)</u>	<u>Denominations</u>	<u>Interest Rate(s)</u>	<u>Paying Agent(s)</u>
----------------------------	----------------------	-------------------------	------------------------

8. Remarks:

Document No. 713
Adopted at Meeting of 11/18/66

SEYUO LOM-ICEB R2V
LIBRARY BOND

EVCFE-V

